

STATE OF MICHIGAN
DEPARTMENT OF LABOR & ECONOMIC GROWTH
OFFICE OF FINANCIAL AND INSURANCE SERVICES

Before the Commissioner of Financial and Insurance Services

In the matter of

XXXXX

Petitioner

File No. 86093-001

v

MEGA Life and Health Insurance Company
Respondent

Issued and entered
this 17th day of December 2007
by Ken Ross
Acting Commissioner

ORDER

I
PROCEDURAL BACKGROUND

On October 31, 2007, XXXXX (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Services under the Patient's Right to Independent Review Act, MCL 550.1901 *et seq.* The Commissioner reviewed the information and accepted the request on November 6, 2007.

The Commissioner notified MEGA Life and Health Insurance Company (MEGA) of the external review and requested the information used in making its adverse determination. The company provided information on November 2, 7, and 9, 2007.

The issue here can be decided by an analysis of the terms of the Petitioner's health care coverage. The Commissioner reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

II FACTUAL BACKGROUND

The Petitioner has a one-year nonrenewable student insurance policy through XXXXX University that is underwritten by MEGA. Her coverage was effective on January 8, 2007. The terms of coverage are contained in a master policy issued to XXXXX and the enrollees receive a coverage brochure.

MEGA denied claims for medical treatment the Petitioner received at the University of Michigan Hospital emergency room on May 22, 2007. After the Petitioner appealed, MEGA maintained its denial and issued a final adverse determination dated September 25, 2007.

III ISSUE

Is MEGA correct in denying coverage for the Petitioner's medical treatment?

IV ANALYSIS

Petitioner's Argument

The Petitioner says that she developed a bacterial infection under her right arm that was extremely painful and kept her from sleeping so she went to the emergency room at the University of Michigan Hospital on May 22, 2007, for treatment. The Petitioner says that the emergency room physician confirmed that her situation was an emergency so she waited for treatment.

When claims were submitted for payment, MEGA denied them, stating the diagnosis on the hospital bill was not for an injury. The Petitioner argues that MEGA should be required to pay for her treatment at the University of Michigan Hospital because emergency care includes coverage for sickness as well as injury.

MEGA Life and Health Insurance Company's Argument

MEGA says the Petitioner was seen in the University of Michigan Hospital emergency room on May 15, 2006, following a bicycle accident. MEGA initially denied benefits for the emergency

room care on May 22, 2006, because it believed it was follow-up care for the bicycle injury and therefore not covered.

When the Petitioner later informed MEGA that the May 22 care was not follow-up care for the bicycle accident but for a bacterial infection under her arm, MEGA requested medical records to review. MEGA argues its denial of coverage is correct because no medical records or details were provided for it to review.

Commissioner's Review

The Commissioner has considered the arguments of both parties and reviewed the provisions of the master policy and the student coverage brochure.

Medical emergencies are included in the Petitioner's coverage. The master policy contains this definition of medical emergency:

MEDICAL EMERGENCY means the occurrence of a sudden, serious and unexpected Sickness or Injury. In the absence of immediate medical attention, a reasonable person could believe this condition would result in:

- 1) Death;
- 2) Placement of the Insured's health in jeopardy;
- 3) Serious impairment of bodily functions;
- 4) Serious dysfunction of any body organ or part; or
- 5) In the case of a pregnant woman, serious jeopardy to the health of the fetus

Expenses incurred for "Medical Emergency" will be paid only for sickness or Injury which fulfills the above conditions. These expenses will not be paid for minor Injuries or minor Sickness.
[Underlining added]

After learning from the Petitioner that the emergency room care on May 22 was not follow-up care for the bicycle accident, MEGA says it asked the Petitioner to submit medical records from that visit, presumably to determine if the care was truly an emergency or just a minor sickness. This was a reasonable request under the circumstances of this case. Although the Petitioner referred to her condition as an "emergency" in correspondence with the Office of Financial and Insurance Services, there is nothing in the record here to support that characterization.

There is no indication in the file that any medical records were sent by the Petitioner or were received by MEGA. Similarly, no medical records were submitted by the Petitioner along with her request for external review. It is possible that the Petitioner did not understand that MEGA's September 14, 2007, correspondence was a request for medical records (its wording is somewhat oblique) and that she must send the emergency room records so MEGA can make a determination on the merits of her claim.

MEGA, having no medical records to review at this time, could only deny the claim for the emergency room care on May 22, 2007. The Commissioner upholds that decision.

**V
ORDER**

The Commissioner upholds MEGA Life and Health Insurance Company's adverse determination of September 25, 2007.

This is a final decision of an administrative agency. Under MCL 550.1915, any person aggrieved by this Order may seek judicial review no later than sixty days from the date of this Order in the Circuit Court for the county where the covered person resides or in the Circuit Court of Ingham County. A copy of the petition for judicial review should be sent to the Commissioner of the Office of Financial and Insurance Services, Health Plans Division, Post Office Box 30220, Lansing, MI 48909-7720.